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ABSTRACT

The purpose of this study was to explore alternative methods for saving public funds in the purchasing of school bus bodies in the state of Georgia. Officials from each of the 50 states responded to a questionnaire that solicited descriptions of the methods used by state officials in purchasing school bus bodies. The discussion focuses on (1) the description of various state plans for purchasing school bus bodies; (2) the variation in prices paid in Georgia during the 1984-85 school year for school bus bodies; (3) a report of prices paid for school bus bodies from states that use a state purchasing plan; and (4) a comparison between prices paid in Georgia for school bus bodies and prices paid by states that use a state purchase plan. A summary of responses from the five suppliers of school bus bodies to the counties in Georgia during the 1984-85 school year is also included. Conclusions and recommendations are offered for the purpose of providing direction in purchasing school bus bodies. (SI)

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A COMPARISON OF STATE METHODS OF PURCHASING SCHOOL BUS BODIES

Charles Michael Bryans

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Charles Michael Bryans

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Chapter 1

Introduction

Chapter 1

Introduction

Pupil transportation is an essential and integral part of the school program. The phenomenal growth in pupil transportation services in recent years can be attributed to compulsory attendance laws, the consolidation of school attendance areas, and school desegregation. From an historical perspective, initially the most significant factor that affected the growth of transportation was the consolidation of school attendance areas. Because of consolidation, the transportation of students has evolved from transporting to small schools located in sparsely populated areas to transporting to larger schools centrally located.

Reorganization has helped promote the equalization of educational opportunity in many communities through the modernization of school facilities, better equipped classrooms, an expanded curriculum, and extracurricular activities. This, in turn, has had a major impact on the transportation system. With the reduction in small schools and the creation of larger attendance districts, more students must be transported. As a result of this reorganization of school districts and the consolidation of attendance zones, the school bus has gained importance in extending the classroom. The bus also provides the means for field trips, athletic events, and other school-sponsored activities.

The next step in the reorganization of school districts was for the community to bear the burden of this increased transportation service. Through the consolidation movement, many states accepted the responsibility of transportation expenses and began enacting legislation to authorize the expenditure of public funds. Many states began to provide transportation funds prior to any clear-cut legal responsibility to do so. At this point, litigation began to occur throughout the states. Due to differences in court mandates among the states, justification for the expenditures of public funds through legislation was necessary in order to make the expenditures legal. As shown in Table 1, each state enacted transportation laws, with Georgia's legislation becoming effective in 1911.

Pupil transportation has continued a steady growth since the middle of the twentieth century. Based on reports from State Departments of Education, prepared by the National

TABLE 1
Dates of First Transportation Laws

Date	State	Date	State
1869	Massachusetts	1904	Maryland
1876	Vermont	1905	Oklahoma
1880	Maine	1905	Utah ^a
1885	New Hampshire	1907	Missouri
1889	Florida ^a	1908	West Virginia
1893	Connecticut	1909	Colorado
1894	Ohio	1910	Mississippi
1895	New Jersey	1911	Arkansas
1896	New York	1911	Georgia
1897	Iowa	1911	Illinois
1897	Nebraska	1911	North Carolina
1897	Pennsylvania	1912	Kentucky
1897	Wisconsin	1912	South Carolina
1898	Rhode Island	1912	Arizona
1899	Kansas	1913	Idaho
1899	North Dakota	1913	Tennessee
1899	South Dakota	1915	Nevada
1899	Indiana ^b	1915	Alabama ^c
1901	California	1915	Texas ^d
1901	Minnesota	1916	Louisiana ^e
1901	Washington	1917	New Mexico ^f
1903	Michigan	1919	Delaware
1903	Montana	1919	Wyoming ^g
1903	Oregon	1919	Hawaii
1903	Virginia	1933	Alaska

^aAssumed under the powers of county boards.

^bTransportation was carried on in Indiana as early as 1888 under the general powers of township trustees.

^cTransportation was carried on in Mobile County earlier than 1915.

^dTransportation was carried on before 1915 under the general powers granted boards in 1905.

^eDate to 1902 without specific legal authorization.

^fAssumed in the powers of county boards.

^gCarried on under a board interpretation of the law.

Source of data: Abel (1923, p. 22) and Talbott (1981)

Association of State Directors of Pupil Transportation, almost twenty-one million public school students rode buses to and from school during the 1982-83 school year. In 1980-81, 56.6 percent of public school students rode buses to and from school, as compared to 46.1 percent in 1971-72.

The issue of school desegregation has made a significant impact on transportation in recent years. "Employing bus transportation as a constitutionally permissible method of dismantling the dual school system" was recognized in a 1971 Supreme Court Case, *Swann v Charlotte-Mecklenburg Board of Education* (LaMorte, 1982, p. 303). A prece-

dent, that busing could be used as a technique in the desegregation movement, was established.

The effect of these factors has resulted in increased numbers of vehicles to serve students. In addition, the cost per unit has increased dramatically. Data, shown in Table 2, reveal that public schools spent more than 4.6 billion dollars on transportation in 1980-81 (excluding capital outlay for new buses and equipment). These expenditures have more than tripled since the 1971-72 school year.

The transporting of public school students throughout the United States is big business. Transportation is highly visible because the yellow school bus is seen by many people as it makes its rounds during the morning and then again each school day afternoon.

The school bus provides an important service and is the first and last educational contact of the day for most students. Because transportation is extensive and highly visible, it draws a great deal of attention from parents, school administrators, school board members, and others.

Purpose of the Study

The purpose of this study is to explore alternative methods for saving public funds in the purchasing of school bus bodies in the State of Georgia. In conjunction with this study, several issues are addressed; these include the following:

1. The description of various state plans for purchasing school bus bodies,
2. The variation in prices paid in Georgia during the 1984-85 school year for school bus bodies,
3. The report of prices paid for school bus bodies from states that use a state purchasing plan, and
4. The comparison of prices paid in Georgia for school bus bodies with the prices paid by states that use a state purchase plan.

Chapter 2

Survey Results

Chapter 2

Survey Results

Officials from each of the fifty states responded to a questionnaire which solicited the best description of the method that was used by state officials in purchasing school bus bodies. Table 3 presents the background of the various methods used by each state. In addition, further explanations of states' purchasing procedures are noted in the last column of Table 3.

By far the most popular method of procuring bus bodies was through local school system bid with state reimbursement. Nineteen of the states responded that the local system bid with state reimbursement best described their method of purchasing. However, six additional states clarified that their states utilized the local bid combined with another method. Of these six states, Minnesota, Pennsylvania, and Vermont had private contractors that operated about half of the public school buses, while the remaining buses were purchased through the local school district with state reimbursement. New Jersey allowed school districts to bid for their buses or to deal with private contractors.

On the other hand, Mississippi and New York participated in a state bid; however, local districts could opt to purchase through a local bid or through the state bid. Including the six states that used local bid combined with another method, there were 25 states, or 50%, that utilized local bid with state reimbursement.

Following the most popular method was the method in which states used private contractors. Thirteen states, or 26%, including the aforementioned states of Minnesota, Pennsylvania, Vermont, and New Jersey, utilized this plan in securing transportation services.

The third most popular method was to secure buses through the local system purchase with no state reimbursement. Nine states responded that this method best described their method of purchasing. In addition to the nine states, Virginia allowed local districts to purchase individually with no state reimbursement or to use the state bid. Including Virginia, 20% of the states utilized this method.

The least popular method of purchasing was through a centralized state bid plan. As previously mentioned, Mississippi, New York, and Virginia used the state bid plan, while at the same time, they allowed an option of the local district to bid and purchase locally. Mississippi used the state bid as a ceiling price if local districts opted to bid and purchase locally. Six other states disclosed that the state bid was the best description of purchasing bus bodies for their states, bringing the total number of states that utilize a state bid plan to nine, or 18% of the states.

Table 3
Summary of States' Plans and Procedures for Purchasing School Bus Bodies

State	State Bid	Local Bid (State Reimbur- sement)	Local Purchase	Local Contractors	Notes
Alabama		X			Bid and purchase are handled by local systems.
Alaska				X	The state reimburses school districts for the cost of transportation vehicles, the majority of which are contracted with private contractors. Contractors provide equipment as well as operate the buses. Contracts are awarded through a competitive proposal process.
Arizona			X		Each school district is a political subdivision; therefore the local school district is responsible for submitting its purchase bid through its budgetary process.
Arkansas			X		The state has a transportation formula which helps districts purchase buses.
California			X		Approximately 78% of school buses are owned by local districts. Until 1983, local systems that kept a bus for 15 years could receive 100% of what the bus cost when it was new. However, at the present time, there are no replacement funds from the state.
Colorado			X		Purchasing is handled by local agency; no state participation in this procedure. No state reimbursement for capital outlay.
Connecticut				X	Ninety percent of buses are handled by private contractors; other 10% are owned by local districts.
Delaware				X	The majority of school buses are operated by private contractors who own and operate their equipment.
Florida	X				Buses are purchased through a pool purchase plan based upon districts' commitments. Bids are awarded on low combination of chassis, body, and options by each size and type bus.

State	State Bid	Local Bid	Local Purchase	Local Contractors	Notes
Georgia		X			The replacement life for a school bus is eight years for gasoline-powered or ten years for diesel-powered conventional buses. Bus replacement funds are disbursed by the state to local systems based on the average low bid for the complete unit.
Hawaii				X	Of approximately 700 buses, the state operates only 14. Private contractors operate all others.
Idaho		X			Each local district writes body specifications that fit their local conditions. Bids are requested, purchases are made, and the state reimburses the local district on a ten-year depreciation schedule.
Illinois		X			State reimburses the local district on a six-year depreciation schedule. Close to half of the buses are operated by private contractors.
Indiana		X			The State School Bus Committee develops minimum specifications for school bus construction and equipment. When school writes specifications for buses, they must meet these minimum standards.
Iowa			X		Local districts purchase on their own. They are required by state law to bid. All funds coming to the district are a mixture of state aid and local property taxes through the State Aid Formula. The funding is a per pupil amount and is for the total educational program including transportation.
Kansas			X		
Kentucky	X				Price contracts are established for bus bodies and chassis by the State Board of Education for local school districts. Award of the bid contract for each body unit is made in combination with the chassis unit which results in the lowest net cost to school districts.

State	State Bid	Local Bid	Local Purchase	Local Contractors	Notes
Louisiana		X			Fifty-five percent of buses are operated by individual contractors and 45% are operated by the local parish.
Maine		X			The local systems bid the purchase of bodies and chassis. The state reimburses the locals' low bids that meet their specifications and the state minimum specifications.
Maryland				X	
Massachusetts		X			Local school districts purchase their own school transportation vehicles based on Registry of Motor Vehicle specifications and state statute.
Michigan		X			Each local school district (525) purchases its own school buses and the state reimburses 46%.
Minnesota		X			Of approximately 9,000 buses, half are locally owned (bid through the local system) and half are privately contracted. State pays 12% depreciation over eight years.
Mississippi	X				Each school system purchases school bus bodies from a list of approved companies at prices not to exceed those approved by the State Board of Education for a specified period of time.
Missouri		X			School bus bodies are provided by the manufacturer to the district or chassis manufacturer.
Montana			X		The school district picks its own chassis and body as long as they meet State Bus Standards.
Nebraska		X			
Nevada		X			State reimburses school districts 80% of their transportation costs.

State	State Bid	Local Bid	Local Purchase	Contracted	Notes
New Hampshire				X	Most school systems deal with private contractors. Local systems that own their own buses can deal directly with bus body manufacturers. Requirements are that they must purchase buses that meet state and federal school bus specifications. There is no reimbursement by the state for bus purchases.
New Jersey		X			School districts may own their own fleets, contract for transportation services, or utilize district-owned buses and contracted buses (combination services).
New Mexico				X	Majority of local districts deal with private contractors. However, many local districts advertise for bids which must meet or exceed New Mexico Minimum Standards.
New York	X	X			The state bids on a competitive centralized contract using a pre-qualified list which includes chassis manufacturers, chassis dealers, body manufacturers, and body dealers. State aid reimbursement is based on this centralized contract pricing, whether the individual school systems use the contract or bid locally. Some systems opt for private transportation contracts.
North Carolina	X				State develops specifications and calls for bids on state approved specifications. The low bid meeting the specifications is awarded the contract.
North Dakota		X			The majority of local systems receive bids and are reimbursed on a state formula. Many systems do opt to deal with private contractors.
Ohio		X			Buses are purchased through local bid. 50% of net cost reimbursed by state.
Oklahoma			X		The state provides a price list from all approved manufacturers. This is the maximum price at which equipment may be purchased without being penalized by a reduction in state aid.

State	State Bid	Local Bid (State Reimbur- sement)	Local Purchase	Local Contrac- tors	Notes
Oregon		X			Seventy percent of buses are district owned and operated with a 60% reimbursement over a ten-year period. Thirty percent of buses are operated by private contractors.
Pennsylvania		X			About half of the buses are operated by private contractors while the other half are owned and operated by the local districts. Only rarely does the state participate in a state bid; this occurs when federal funds are available.
Rhode Island				X	Most systems contract with private contractors for bus transportation. Other systems receive bids with state reimbursement.
South Carolina	X				Participates in a centralized, state plan for purchasing bus bodies.
South Dakota		X			The local districts handle the purchasing with one-third to one-half reimbursement from the state.
Tennessee			X		In addition to the customary state aid for operational purposes, the state also allocates a sum based on attendance for bus replacement, building construction and renovations, and major equipment purchased which is used at the discretion of the LEA's with the Commissioner's approval. The state operational allocation is approximately 26% of transportation expenditures.
Texas	X				The state purchases all school bus bodies and chassis on a centralized, competitive bidding process monthly. All districts will complete this process when receiving state transportation funds.
Utah		X			Each school procures its own buses as long as they meet or exceed the state standards.

State	State Bid	Local Bid (State Reimbur- sement)	Local Purchase	Local Contractors	Notes
Vermont		X		X	Approximately half of the buses are privately contracted. The remaining half are purchased by the local school district.
Virginia	X		X		Local school districts may use state bid or conduct local bid. There is no state aid for purchase of vehicles.
Washington		X			Bodies are seldom, if ever, bid separately. Usually, it is a unit purchase including the chassis.
West Virginia	X				Local systems notify the state school transportation office of their needs by vehicle size, etc. State office takes bids, analyzes bids, and issues contract to successful bidder by size, type, etc. Local systems then purchase from those contracts to meet needs.
Wisconsin				X	Seventy-two percent of buses are contractor-owned and 28% are school-owned.
Wyoming		X			Each of the 49 districts bids its own buses. The amount to be included in the foundation program of a district for transportation shall be 75% of the amount actually expended by the district during the previous school year for the operation and maintenance of transportation routes for the transportation of children to and from regular school sessions plus one-sixth of the amount actually expended by district during the previous four years as transportation capital outlay for purchase of all school buses used only for the transportation of children to and from regular school sessions.

Chapter 3

Prices Paid By Georgia School- Systems

Chapter 3

Prices Paid By Georgia School Systems

In the State of Georgia, 45 counties purchased 127 sixty-five passenger bus bodies and 128 sixty-six passenger bus bodies during the 1984-85 school year. These 45 counties represent almost 28 percent of the 159 county school systems throughout the state. The remaining 114 county school systems, as well as 28 city school systems, were not included in the study because they opted to purchase another size passenger bus body, did not purchase during the 1984-85 school year, did not have bid sheets on file at the State Department of Education, or purchased through the Cooperative Purchasing Agency. Purchase prices of both 65 and 66 passenger bus bodies paid by the counties of Georgia are shown in Tables 4 and 5. The primary difference between the 65 passenger bus and the 66 passenger bus is a 9 inch extension to the rear of the bus body, providing a 6 inch storage space between the last seat and the rear wall. Purchase prices in both Tables 4 and 5 reflect delivery costs of the bus to the local school system. Special options, requested by the local system, exceeding minimum national and state specifications were excluded from the purchase price. As previously mentioned, 33 Boards of Education that purchased 65 of the 65 passenger bus bodies from Cooperative Purchasing Agency were also excluded. Those systems purchasing through the Cooperative Purchasing Agency paid the same purchase price because of the agency's centralized purchasing program. Only those local school systems which were geographically located in either North Georgia CESA, Northeast Georgia CESA, or Pioneer CESA were able to participate in the pool bid offered to the Cooperative Purchasing Agency. The bid price is presented in Table 6.

The findings in Tables 4 and 5 show that the average price paid by counties for a 65 passenger bus body was \$10,134.68. Although the 66 passenger body is slightly larger than the 65, the average price paid was \$10,005.59. Furthermore, purchase prices for both the 65 and 66 passenger bus bodies are categorized according to manufacturer in Tables 7 through 15. A geographical breakdown of those counties purchasing from the five manufacturers is presented in Map 1. Tables 16 and 17 are provided for a comparison of

the manufacturer's average price for both 65 and 66 passenger bodies paid by Georgia's counties during the 1984-85 school year.

Table 4
Purchase Prices of 65 Passenger Bus Bodies Purchased in the Counties of Georgia During the 1984-85 School Year Excluding Those Purchased by the Cooperative Purchasing Agency

County	Number Pur- chased	Manufac- turer	Date Pur- chased	Price/Unit	Total
Berrien	3	C	11.11.84	10169.00	30507.00
Carroll	10	C	12.10.84	9575.00	95750.00
Colquitt	6	BB	2.12.85	10249.77	61498.62
Dekalb	41	Wayne	12.12.84	10240.00	419840.00
Dougherty	6	Wayne	2.12.85	9777.00	58662.00
Effingham	7	BB	2.25.85	10268.33	71878.31
Evans	1	BB	2.05.85	10112.89a	10112.89
Gwinnett	28	T	10.23.84	10447.00	292516.00
Lamar	2	BB	11.12.84	10390.00	20780.00
Mitchell	2	BB	1.09.85	10206.52	20413.04
Oconee	3	C	3.06.85	9348.00	28044.00
Rockdale	12	T	11.15.84	9928.00	119136.00
Walton	6	C	2.05.84	9661.00	57966.00
Total	127				1287103.80

a387.00 deducted from purchase price for luggage rack (optional)
 Average - \$10134.68 Median - \$10240.00

Table 5
Purchase Prices of 66 Passenger Bus Bodies Purchased in the Counties of Georgia during the 1984-85 School Year

County	Number Purchased	Manufacturer	Date Purchased	Price/Unit	Total
Bleckley	2	BB	2.14.85	10473.97	20947.94
Bryan	3	BB	2.25.85	10465.39	31396.17
Bullock	8	BB	1.09.85	10349.36	82794.88
Butts	3	BB	12.20.84	9847.00	29541.00
Catoosa	5	T	2.21.85	9640.00	48200.00
Chatham	3	BB	7.01.84	8933.80	26801.00
Cherokee	9	C	1.07.85	10321.00	92889.00
Clay	1	BB	11.14.84	10400.00	10400.00
Clinch	1	BB	2.11.85	10141.25 ^a	10141.25
Coffee	7	BB	2.28.85	10372.25	72605.75
Decatur	4	C	9.18.84	9010.00	36040.00
Douglas	11	BB	1.22.85	9762.00	107382.00
Heard	3	Wayne	12.07.84	9811.00	29433.00
Henry	8	Wayne	11.12.84	10161.00	81288.00
Houston	4	Wayne	1.16.85	9811.00	39244.00
Lanier	1	C	12.11.84	10205.00	10205.00
Lee	4	BB	1.10.85	10196.17	40784.68
Macon	1	BB	2.14.85	10256.39	10256.39
Peach	4	BB	6.05.84	9440.39	37761.56
Pike	3	Ward	12.11.84	9900.83	29702.49
Randolph	2	BB	7.11.84	9547.07	19094.14
Screven	4	BB	12.10.84	10597.61	42390.44
Spalding	7	C	1.15.85	9678.00	67746.00
Stewart	1	Wayne	1.10.85	9811.00	9811.00
Taylor	3	BB	6.12.84	9540.94	28622.82
Telfair	3	BB	10.12.84	10391.76	31085.28
Terrell	4	BB	1.15.85	10210.11	40840.44
Thomas	3	T	11.13.84	9891.00	29673.00
Tift	6	Wayne	11.15.84	10201.00	61206.00
Wayne	3	BB	1.18.85	10554.00 ^b	31662.00
Worth	6	BB	2.15.85	10206.39	61238.34
Total	127				1271183.99

^a 70.00 deducted for 80,000 BTU underseat heater (optional)

^b 387.00 deducted for luggage rack (optional)

Average = 10009.32

Median = 10161.00

Table 6
Prices Paid for 65 Passenger Bus Bodies by the Cooperative Purchasing Agency
During the 1984-85 School Year

	Number Pur- chased	Price/Unit
FOB Factory		9,531.00
	65	
FOB Local System		9,681.00

Table 7
Purchase Prices of 65 Passenger Blue Bird Bodies Purchased by Counties in
Georgia During the 1984-85 School Year

County	Number Pur- chased	Date Pur- chased	Price/Unit	Total
Colquitt	6	2.12.85	10,249.77	61,498.62
Effingham	7	2.25.85	10,268.33	71,878.31
Evans	1	2.05.85	10,112.89	10,112.89
Lamar	2	11.12.84	10,390.00	20,780.00
Mitchell	2	1.09.85	10,206.52	20,413.04
Total	18			184,684.86
Average = 10,260.16				

Table 8
Purchase Prices of 65 Passenger Carpenter Bodies Purchased by Counties in Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Berrien	3	11.15.84	10,169.00	30,507.00
Carroll	10	12.10.84	9,575.00	95,750.00
Oconee	3	3.06.85	9,348.00	28,044.00
Walton	6	2.08.85	9,661.00	57,966.00
Total	22			212,267.00
Average = 9,648.50				

Table 9
Purchase Prices of 65 Passenger Thomas Bodies Purchased by Counties in Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Gwinnett	28	10.23.84	10,447.00	292,516.00
Rockdale	12	11.15.84	9,928.00	119,136.00
Total	40			411,652.00
Average = 10,291.30				

Table 10
Purchase Prices of 65 Passenger Wayne Bodies Purchased by Counties in Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
DeKalb	41	12.12.84	10,240.00	419,840.00
Dougherty	6	2.12.85	9,777.00	58,662.00
Total	47			478,502.00
Average = 10,180.89				

Table 11
Purchase Prices of 66 Passenger Blue Bird Bodies Purchased by Counties in Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Bleckley	2	2.14.85	10,473.97	20,947.94
Bryan	3	2.25.85	10,465.39	31,396.17
Bullock	8	1.09.85	10,349.36	82,794.88
Butts	3	12.20.84	9,847.00	29,541.00
Chatham	3	7.01.84	8,933.80	26,801.40
Clay	1	11.14.84	10,400.00	10,400.00
Clinch	1	2.11.85	10,141.25	10,141.25

Table 11(Continued)
Purchase Prices of 66 Passenger Blue Bird Bodies Purchased by Counties in
Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Coffee	7	2.28.85	10,372.25	72,605.75
Douglas	11	1.22.85	9,762.00	107,382.00
Lee	4	1.10.85	10,196.17	40,784.68
Macon	1	2.14.85	10,256.39	10,256.39
Oglethorpe	1	2.06.85	9,531.00	9,531.00
Peach	4	6.05.84	9,440.39	37,761.56
Randolph	2	7.11.84	9,547.07	19,094.14
Screven	4	12.10.84	10,597.61	42,390.44
Taylor	3	6.12.84	9,540.94	28,622.82
Telfair	3	10.12.84	10,361.76	31,085.28
Terrell	4	1.15.85	10,210.11	40,840.44
Wayne	3	1.18.85	10,554.00	31,662.00
Worth	6	2.15.84	10,206.39	61,238.24
Total	74			745,277.48
Average = 10,071.32				

Table 12
Purchase Prices of 66 Passenger Carpenter Bodies Purchased by Counties in Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Cherokee	9	1.07.85	10,321.00	92,889.00
Decatur	4	9.18.84	9,010.00	36,040.00
Lanier	1	12.11.84	10,205.00	10,205.00
Spalding	7	1.15.85	9,678.00	67,746.00
Total	21			206,880.00
Average = 9,851.42				

Table 13
Purchase Prices of 66 Passenger Thomas Bodies Purchased by Counties in Georgia During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Catoosa	5	2.21.85	9,640.00	48,200.00
Thomas	3	11.13.84	9,891.00	29,673.00
Total	8			77,873.00
Average = 9,734.13				

Table 14
Purchase Prices of 66 Passenger Ward Bodies Purchased by Counties in Georgia
During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Pike	3	12.11.84	9,900.83	9,900.83
Total	3			9,900.83

Table 15
Purchase Prices of 66 Passenger Wayne Bodies Purchased by Counties in Georgia
During the 1984-85 School Year

County	Number Purchased	Date Purchased	Price/Unit	Total
Heard	3	12.07.84	9,811.00	29,433.00
Henry	8	11.12.84	10,161.00	81,288.00
Houston	4	1.16.85	9,811.00	39,244.00
Stewart	1	1.10.85	9,811.00	9,811.00
Tift	6	11.15.84	10,201.00	61,206.00
Total	22			220,982.00
Average = 10,044.64				

Table 16

Summary of Manufacturer's Average Purchase Price for 65 Passenger Bodies Purchased by Counties in Georgia During the 1984-85 School Year Excluding Those Purchased by the Cooperative Purchasing Agency

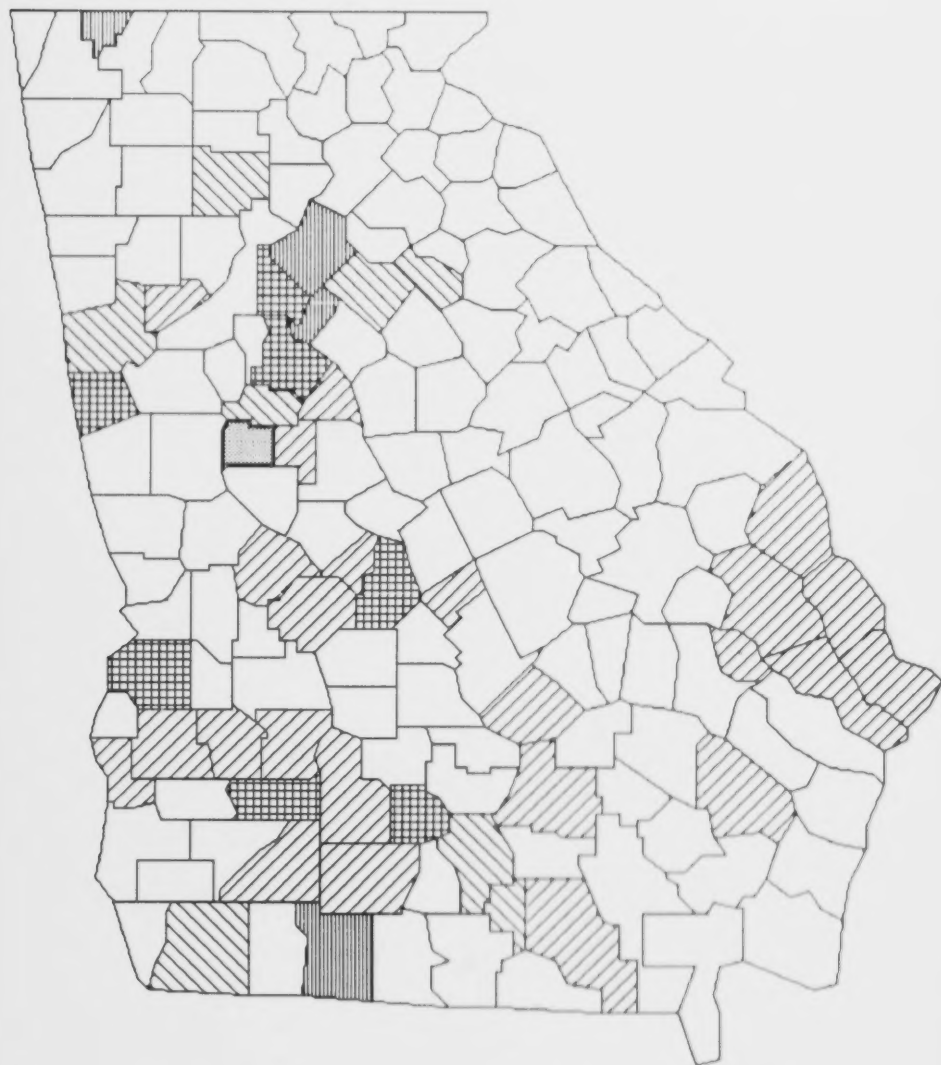
Manufacturer	Number Purchased	Average Price/Unit
Blue Bird	18	10,260.16
Carpenter	22	9,648.50
Thomas	40	10,291.30
Wayne	47	10,180.89

Table 17

Summary of Manufacturer's Average Purchase Price for 66 Passenger Bodies Purchased by Counties in Georgia During the 1984-85 School Year

Manufacturer	Number Purchased	Average Price/Unit
Blue Bird	74	10,071.32
Carpenter	21	9,851.43
Thomas	8	9,734.13
Ward	3	9,900.83
Wayne	22	10,044.64

Map 1
 A Geographical Breakdown, by Manufacturer, of Bus Bodies
 Purchased by 44 Counties in Georgia
 During the 1984-85 School Year



 - Ward

 - Thomas

 - Wayne

 - Blue Bird

 - Carpenter

Chapter 4

States That Use A Centralized Purchasing Plan

Chapter 4

States That Use A Centralized Purchasing Plan

Data from five of the nine states that practiced a centralized purchasing plan for procuring bus bodies were used for analysis in this study. For comparison, the number of buses purchased and the state bid price per unit are presented in Table 18 for Florida, Kentucky, Mississippi, Virginia, and West Virginia. Each of these states, with the exception of Virginia, bid the 65 passenger bus body. The State of Virginia bid the 64 passenger bus. The State of Virginia's specifications required that the right front passenger seat accommodate two passengers instead of three.

Florida received the lowest bid price with a \$7,962.00 bid for a 65 passenger body mounted on a gas chassis and a \$7,991.00 bid for the body mounted on a diesel chassis. Kentucky's followed, with a state bid of \$8,150.00. The findings indicate that Florida's and Kentucky's bids were very close considering Kentucky's price included delivery to the local school system, while Florida's did not. West Virginia's state bid, as well as Mississippi's and Virginia's, was considerably higher than Florida's and Kentucky's.

Perhaps the reason for a great deal of variation in Mississippi's and Virginia's state bid price compared to Florida's and Kentucky's was the fact that these two states permitted local systems to purchase from the state contract price or to negotiate with the bus body manufacturers directly. In responding to a questionnaire sent to each state, Mississippi indicated that it allowed the local system to purchase bus bodies from a list of approved companies at prices not to exceed those approved by the State Board of Education for a specified time, resulting in local systems purchasing bodies at prices from \$200 to \$1200 less than approved maximum prices. In response to the same questionnaire, it was reported that many local systems purchased bus bodies at prices lower than the state contract prices in Virginia.

In comparing state bid prices, the four remaining states that participated in a centralized purchasing plan for procuring bus bodies were excluded. North Carolina and South Carolina were excluded because neither of these states purchased the 65 nor the 66 passenger bus body in its state bid. The largest bus body purchased by the Carolinas was the 60 passenger. New York State was excluded because the bus body and chassis were bid as a complete unit. Although Texas purchased school buses on a centralized competitive bidding process monthly, this state, too, was excluded because the bus body and chassis were bid as a complete unit. Therefore, both New York State and Texas were unable to provide a breakdown of body costs.

Table 18
Comparison of Purchase Prices of School Bus Bodies for Florida, Kentucky, Mississippi, Virginia and West Virginia for the 1984-85 School Year

State	Passenger	Number Purchased	Price/Unit
Florida:			
On diesel chassis	65	796	7,991.00
On gas chassis	65	45	7,962.00
Kentucky	65	150	8,150.00 ^a
Mississippi	65	350 ^c	10,384.00 ^b
Virginia	64	500	10,094.00 ^b
West Virginia	65	70	10,166.00

^aIncludes delivery to local school systems

^bBoth Mississippi and Virginia permit local systems to purchase from state contract price or to negotiate with the manufacturers or dealers directly. Both these states indicated that many local systems purchased bus bodies at lower prices than the state contract price.

^cApproximate number

Chapter 5
Comparison of Georgia
Systems' Prices to Prices Paid
by States That Practice a Central-
ized Purchasing Plan

Chapter 5

Comparison of Georgia Systems' Prices to Prices Paid by States That Practice a Centralized Purchasing Plan

Comparison of purchase prices for school bus bodies purchased by Florida, Kentucky, Mississippi, Virginia, West Virginia, and Cooperative Purchasing Agency during the 1984-85 school year to the average prices paid by other Georgia counties during the same time is presented in Table 19.

As previously mentioned, both Mississippi and Virginia permitted local systems the option of purchasing through the state contract price or by purchasing through the local school systems. Therefore, to project possible savings or losses for the State of Georgia in operating a centralized purchasing plan, the average cost per unit paid by counties in Georgia during the 1984-85 school year for the 65 passenger bus body was compared to the bid price secured by Florida, Kentucky, and West Virginia for the same passenger bus during the same period of time in Table 20. Additionally, the average price per unit paid by Georgia counties was compared to the contract price awarded to the Cooperative Purchasing Agency.

The findings indicate that if the 127 sixty-five passenger bus bodies purchased by counties in Georgia were purchased at state bid prices paid by Florida, a savings of over \$270,000, less delivery costs, would have been realized. A savings of over \$250,000 would have been made if Kentucky bid prices had prevailed in Georgia. Since the average price paid by counties in Georgia for the 65 passenger and 66 passenger bus body was less than \$130 difference, it can be projected that if the 255 sixty-five and 66 passenger bodies had been purchased at the Florida bid price, Georgia would have realized a savings of

over \$540,000, less delivery expenses, and a savings of over \$500,000 if purchased at the Kentucky bid prices. If purchased at the Cooperative Purchasing Agency bid prices, a savings of over \$57,000 would have been realized for the 127 sixty-five passenger bus bodies that were purchased in Georgia and a projected savings of over \$115,000 if the 255 sixty-five and 66 passenger bodies had been purchased at this bid price. However, if West Virginia's bid prices had prevailed in Georgia, it would have cost Georgia approximately \$8,000 more for the 255 sixty-five and 66 passenger bus bodies.

Another factor worthy of consideration is the fact that Florida purchased over 800 bus bodies, Kentucky 150, and West Virginia 70. When considering that Georgia purchased 127 sixty-five passenger and 128 sixty-six passenger bus bodies during the 1984-85 school year, one sees that Georgia purchased 105 more bus bodies than Kentucky and 185 more than West Virginia, but 586 fewer than Florida.

Table 19
Comparison of Purchase Prices for 65 Passenger Bus Bodies Purchased by
Florida, Kentucky, Mississippi, Virginia, West Virginia and Cooperative Purchasing Agency During the 1984-85 School Year With the Average Prices Paid by Other Georgia Counties During the 1984-85 School Year

Purchaser	Number Purchased	Price/Unit
Florida:		
Mounted on diesel chassis	796	7,991.00
Mounted on gas chassis	45	7,962.00
Kentucky	150	8,150.00 ^a
Mississippi	350 ^c	10,384.00
Virginia	500 ^c	10,094.00
West Virginia	70	10,166.00
Cooperative Purchasing Agency:		
FOB Factory	65	9,531.00
FOB Local System		9,681.00
Georgia's Average	127 ^b	10,134.68

^aIncludes delivery to local systems

^bThis total does not include the 65 buses purchased through the Cooperative Purchasing Agency

^cApproximate number

Table 20
Differences in Average Prices Paid for 65 Passenger Bus Bodies Purchased by
Counties in Georgia During the 1984-85 School Year Compared to Florida's,
Kentucky's, and West Virginia's State Bid Price As Well As to the Cooperative Pur-
chasing Agency's Bid Price for the 65 Passenger Bus Body During the 1984-85
School Year

Compared to:	Georgia's Average Price/Unit	State's Bid Price/Unit	Difference	Total Dif- ference x 127
Florida:				
Mounted on diesel chassis	10,134.68	7,991.00	2,143.68	272,247.36
Mounted on Gas chassis	10,134.68	7,962.00	2,172.68	275,930.36
Kentucky	10,134.68	8,150.00	1,984.68	252,054.36
West Virginia	10,134.68	10,166.00	-31.32	-3,977.64
Cooperative Purchasing Agency:				
FOB Factory	10,134.68	9,531.00	603.68	76,667.36
FOB Local System	10,134.68	9,681.00	453.68	57,617.36

Chapter 6

Ordering Instructions from Florida's and Kentucky's State Bid Program

Chapter 6

Ordering Instructions from Florida's and Kentucky's State Bid Program

According to the responses received from the questionnaire (Appendix A) sent to each state's Director of Pupil Transportation, Florida and Kentucky, through their state bid programs, delivered clear ordering instructions to the bus body supplier. At the same time, local boards of education from these respective states received clear instructions when submitting orders and when receiving buses. Perhaps these instructions were instrumental in the prices secured for bus bodies by these two states. Therefore, a brief description of these ordering instructions and procedures is presented.

Although Florida and Kentucky issued clear and detailed instructions to the supplier and local boards, there were differences and similarities in each state's approach. One variation was found in the two states' commitments to purchase when bids were invited. Through State Board of Education rules, Florida required that "commitments to purchase school buses, equipment, supplies and contractual needs through a pool shall be solicited of school boards and such commitments, when included in the pool, shall become an obligation of the School Board to buy" (*Pricing and Ordering*, 1984, p. i). Local boards of education in Florida committed to the number of buses to be ordered, capacity, type and description, and to any options desired at the local level. Data from these commitments were compiled at the State Department of Education and presented to the bidders when bids were invited. Kentucky, on the other hand, did not commit to the number of units to be purchased. Instead, in its invitation to bid, Kentucky requested a single bid on each body and size from the bidder. Whereas Florida, through State Board of Education rules, required a commitment, Kentucky, through state Statute, required the following:

The Superintendent of Public Instruction shall make available to all district boards of education full information respecting established price contract agreements, and any or all dis-

tricts may procure buses from sources and at prices, terms and conditions incorporated in said price contract agreements. Any district board of education may take its own bids on school buses which meet the specifications of the State Board of Education for school buses for which price contracts have been established, provided the Superintendent of Public Instruction approves the bids and purchase contract as meeting specifications of the State Board of Education. However, no district board of education shall purchase school buses under the terms of this section unless the Superintendent of Public Instruction shall certify that the purchase price is lower than prices set forth in established price contract agreements for similar equipment. (*Invitation for Bid*, 1984, p. 6)

Similarities existed in Florida's and Kentucky's state bid plans, in that both included a purchase order time table. Florida referred to its time table requirements as Plan A and Plan B, whereas Kentucky's were Proposal I and Proposal II.

According to Florida's instructional document, *Pricing and Ordering For School Buses* (1984), performance specifications relative to the delivery of the 65 passenger bus included the following:

1. The diesel chassis committed to the pool under Plan A must be ordered and purchase orders received by the supplier by January 15, 1985, while the gasoline chassis committed must be ordered by December 31, 1984. Chassis ordered under this plan will be delivered to the carrier for shipment to the body plant on or before April 30, 1985.
2. The diesel chassis and gasoline chassis committed to the pool under Plan B must be ordered by May 1, 1985. Chassis ordered under this plan will be delivered to the carrier for shipment to the body plant after July 1, 1985, and no later than September 30, 1985.
3. All Type "C" conventional units shall be ready for delivery to the purchaser within ninety calendar days after receipt of the chassis at the body plant. (p. i)

Kentucky's instructional document, *Invitation For Bid* (1984), also required performance specifications relative to delivery. These requirements, concerning the delivery of the 65 passenger bus, stated in part that:

1. Under Proposal I, all school bus chassis shall be delivered to the designated school bus body plant not later than February 15, 1985, by said price contract school bus chassis supplier. The chassis vendor shall accept all chassis orders received through December 15, 1984.
2. Under Proposal I, all school bus bodies shall be built on chassis not received later than February 15, 1985, be completed and delivered by April 1, 1985. The body supplier shall accept all body orders received through December 15, 1984.
3. Under Proposal II, all school bus chassis shall be delivered to the designated school bus body plant not later than April 15, 1985, by said price contract bus chassis supplier. The chassis vendor shall accept all chassis orders received through January 15, 1985.

4. Under Proposal II, all school bus bodies shall be built on chassis not received later than April 15, 1985, be completed and delivered by July 15, 1985. The body supplier shall accept all body orders received through January 15, 1985. (pp. 10-11)

In addition, Kentucky imposed further requirements to the body supplier relative to delivery. If the bus body supplier failed to meet delivery schedules, "the body supplier shall pay to the purchasing party or adjust the contract price accordingly as liquidating damages in the amount of ten dollars per day" (*Invitation to Bid*, 1984, p. 9). Kentucky also required that the body supplier keep the State Department of Education informed on the production schedule and delivery of dates, as well as dates of delivery of school bus chassis, by providing a weekly list of scheduled production and completion, and a list of chassis received and assigned to Kentucky districts (*Invitation For Bid*, 1984). A further requirement enabled inspectors and representatives from the State Department of Education to make visits to the factory for determining if the manufacturer was in compliance with specifications (*Invitation For Bid*, 1984).

Florida also required that bus bodies purchased "shall include the right to inspection of the product before, during and after manufacture by any appropriate state agency or county agency of the State of Florida" (*Florida School Bus Specifications*, 1984, p. 30).

Florida's and Kentucky's state bids required performance bonds of manufacturers. Florida required that "all successful bidders have posted a performance bond applicable only to units committed to the pool in either Plan A or Plan B" (*Pricing and Ordering*, 1984, p. i). Kentucky's was more specific, requiring that the performance bond "shall be in the amount of fifty percent of the F.O.B. Kentucky body prices for the total number of school bus body awards received on December 15, 1984, by supplier" (*Invitation For Bid*, 1984, p. 9).

Chapter 7

Comparison of Bus Body Specifications

Chapter 7

Comparison of Bus Body Specifications

To compare prices paid by Georgia counties for bus bodies to prices paid by Florida, Kentucky, and West Virginia, as presented in Table 20, it was necessary to compare state's bus body specifications. This section shall present descriptions of each state's bus body specifications, including similarities and variations, so that comparisons can be made. Information presented came from responses to a questionnaire submitted to each state's Director of Pupil Transportation.

Relative to construction, all four states were consistent in the gauge of steel required in constructing the bus body. The same held true for each state's requirements concerning the treatment of metals. However, there were variations among the four states in their requirements for floor structure, body frame, and interior panel construction.

Although the four states were similar in requiring the same minimum steel to be used in floor structure construction, West Virginia differed in requiring that the floor shall be covered with a five-eighth inch thickness plywood. The states of Georgia, Florida, and Kentucky required a main beam in the floor at each side post and two intermediate beams between. The specifications required of the states were almost identical for the floor covering.

Both Florida and Kentucky had framing specifications which were more restrictive than either Georgia's or West Virginia's. Georgia's specifications were more specific than West Virginia's, in that Georgia's required roof bows and body post and roof strainers, which were the minimum gauge steel as required by Florida's and Kentucky's specifications; Georgia's were not as detailed as Florida's nor Kentucky's. For example, Florida's and Kentucky's specifications listed specific requirements relative to rear corner reinforcements and side strainers, whereas Georgia's did not.



Specifications relative to interior panels were more exact for Georgia than for the other three states. Georgia's specifications required that the body shall be of double wall construction, with interior panels constructed of not less than 22 gauge sheet steel, whereas the other states were not as precise.

Georgia's specifications concerning the rear bumper differed from the other states in requiring a minimum width of nine and three-fourths inches, whereas West Virginia required a minimum width of nine inches and Kentucky required an 8 inch minimum width. Florida required an 8 inch high ribbed face flanged at the top and bottom.

Insulation and undercoating requirements were similar for each of the four states. Similar specifications included a ventilation system that was required of each state. The same was true of interior and exterior mirrors, sun visors, windshield wipers and washers, as well as stirrup steps to use when cleaning the windshield. Additionally, each state required a fire extinguisher and a first aid kit.

The specifications for school bus bodies in the State of Georgia were such as to make the cost, based on a per pupil seat, greater than the cost for a bus of equal capacity approved in the States of Florida, Kentucky, and West Virginia. Although the spacing of seats and the aisle widths are virtually the same, the dissimilarity can be found in the width requirements. This variation was brought about because the State of Georgia permits the right front seat to be 26 inches to allow for additional entrance aisle space, as compared to the 39 inch requirement according to Florida's, Kentucky's, and West Virginia's specifications. Therefore, the State of Georgia could lose seating for one passenger when comparing specifications.

The entrance steps for the State of Georgia, Kentucky, and West Virginia allowed a maximum of 16 inches from the ground to the top of the bottom step, while Florida's specifications allowed approximately 14 inches. Each state required the same step covering, with each requiring the white forward nosing; however, West Virginia's requirements of the rubber portion of the step treads were more restrictive. Each of the states required a grab handle in the stepwell area.

The State of Georgia's specifications exceeded the other three states in that an additional rub rail was required under the window sills, unless the internal longitudinal member below the window meets or exceeds the requirements of this fourth rub rail. Florida's, Kentucky's, and West Virginia's specifications required three rub rails; however, none of these states made provisions for the fourth rub rail. Both Florida's and Georgia's specifications required that the rub rails be attached at least twice to each body post, whereas Kentucky's and West Virginia's were not as precise. Other than these differences, each state required the same gauge steel for the rails and was consistent in the location requirements of the rails.

There was some variation in the window specifications among the four states. Although each state required a split-sash type window with equal dimensions, there were differences. For example, West Virginia's specifications required four emergency push-out win-

dows with the appropriate markings, while the other states made no mention of this. Although Kentucky's window specifications required the same minimum grade of glass, they were not as detailed as the other three states. Florida's were more detailed in requiring latch specifications as well as listing specific sealing, visor, and drip molding requirements. Georgia's and West Virginia's specifications also required some type of water shedding device.

The emergency door specifications were detailed, yet similar, for all four states. The service door specifications were very similar. All states required door header bumper pads for the emergency door as well as for the service door.

The wiring requirements were also similar for all states. Each state issued detailed and specific requirements. Additionally, specifications relative to signalling devices were also similar. Again, each state called for detailed specifications concerning turn signals and warning lamps, as well as precise operation requirements for the stop arm and flashing signal system. The interior lighting requirements were different in that Georgia's specifications provided for a minimum of five lights; Florida's required a minimum of three lights; Kentucky's provided for two rows of interior lamps with a minimum of two lamps for each group of three seat rows; West Virginia's required two rows of dome lamps installed on two circuits; this state did not list a minimum number.

There was considerable variation in the heating and defroster specifications among the four states. West Virginia, with the most rigid specifications, required heaters with a minimum rating of 178,000 BTU's, two defrosters, and at least two auxiliary fans. Although Kentucky did not list specific BTU requirements, specifications were precise in minimum temperature measurements for its heating and defrosting systems. Kentucky, like West Virginia, required the two auxiliary fans. Georgia's specifications required a heating system with a rating of not less than 85,000 BTU's, a defroster system with a rating of not less than 50,000 BTU's, and one auxiliary fan. Florida's specifications required a heating system with a rating of not less than 80,000 BTU's, a defrosting system with a separate fan utilizing hot air taken off the heater, and one auxiliary fan.

The painting requirements were not addressed in Kentucky's nor West Virginia's specifications. Georgia's requirements were specific concerning interior painting, while Florida's were specific concerning exterior painting.

The West Virginia specifications required more additional equipment that was not required by the other states. This equipment included an ax, tow hooks, and a storage compartment mounted in the right side of the body skirt below the floor. Mud flaps were also required of buses purchased for West Virginia, as well as for those purchased for Kentucky. Georgia's specifications also required an additional piece of equipment not required from the other three states. This extra equipment was a crossing gate which shall extend a minimum of five feet six inches from the face of the front bumper.

Chapter 8

Bus Body Supplier Interviews

Chapter 8

Bus Body Supplier Interviews

The collection of data included interviews with the five bus body suppliers that sold to the counties in Georgia during the 1984-85 school year. These data were collected to include the businesses' perspectives pertaining to purchasing bus bodies. All five body suppliers were interviewed. The remainder of this section reports a summary of responses from the body suppliers.

Each interviewee agreed that the best method of selling was direct to the local school system. Reasons the suppliers preferred this method included the following:

"We believe the local entity knows what they want and what their specifications should be."

"This method is the most simple, most direct, and there is not as much red tape. The more governmental agencies involved, the more red tape you have."

"This method gives the manufacturer a chance to explain equipment features. It also gives the local system an opportunity to consider something besides low bid, such as maintenance, durability, safety, and cost of operating the bus over ten years."

"This method works better with local systems dealing directly with dealer."

"This way we can give the customer better service by being directly responsible for sales. We are more tuned into problems and needs as they arise."

When asked to explain the variations in prices paid by local systems throughout Georgia for the same bus body, the interviewees issued the following statements:

"One reason there are variations in prices is simply the time frame (when systems purchase their buses). For example, only a few days ago, the price of steel increased by three percent. Obviously, we had to increase our price by the same amount. School systems purchasing prior to this increase paid less; therefore, timing has a definite influence."

"Another variation has to do with the nature of the account. A question considered is this: How does the county traditionally buy? If they have been buying strictly low bid, then we know we have to be more price-competitive."

"A variation has to do with the basic law of free enterprise, the simple law of supply and demand."

"Differences in specifications cause some variations."

"We have distributors in North Georgia and sell direct in South Georgia."

"Biggest variations are equipment and options."

"Competitiveness in geographic areas."

"Freight factors enter into price."

"We normally bid about the same price in all locations (in Georgia)."

"Don't know."

"The factories control the sale of volume that any distributor gets during a school year, which is based on production capabilities in the factories."

When asked to respond to problems they encounter from local school systems in receiving specifications, three of the body suppliers reported that they do not encounter any problems. However, one dealer noted that "in several cases price was not the only factor" and expressed that "counties by-pass low bid for bus or factory loyalty in their specifications." Another supplier testifying to problems in receiving specifications explained that "many counties put into their specifications certain options that only one manufacturer could meet."

In describing which method was the best in presenting their product to the local school system, the suppliers offered the following, which included:

"Through demonstration and personal contact by the sales representative."

"Over the years, manufacturers have standardized; therefore, the biggest difference (in presenting product to the local system) is the local systems' preference for the type of bus they want."

"Through demonstration and calling on board of education members."

"Don't know."

"Demonstration and by selling your product." All suppliers but one reported that they were given an opportunity to submit bids to the local systems throughout Georgia. However, one dealer maintained that he was not given such an opportunity in all counties, because Georgia Law requires that local systems invite three bids.

When asked if they were notified whether their bids were selected or rejected, the suppliers reported the following, which included:

"Not consistently, but our representatives attend as many bid openings as possible."

"Usually we are notified."

"In most cases we are."

"Yes."

"Not always."

Four of the suppliers agreed that they would like notification of bid acceptance or rejection, while one responded that in Georgia it was not necessary because they usually had representatives at the bid openings.

When asked if any had additional comments relative to specifications or bus body purchasing procedures, one supplier offered an explanation of the advantages and disadvantages of centralized purchasing. His comments included the following:

"There are two advantages of centralized purchasing. First, there are savings of initial outlay, which represents about 20 percent. Secondly, it offers centralization of purchasing power in state government. However, there are disadvantages. First, the long-range costs and the total cost would increase. A substantial part of the long-range cost is maintenance. It seems likely that an annual statewide purchase would increase long-range maintenance costs. School systems in Georgia that do small-scale maintenance themselves can save money by having one familiar type of equipment to maintain, with its similar maintenance schedules and procedures. A state bid system would hurt attempts by local systems to standardize their fleets. Secondly, the state would incur some additional costs in the additional administrative expense. Thirdly, a state plan would decrease the competitive nature that now exists. Another factor that requires examination is specifications. We offer numerous options; therefore, the components are different. You may have a good argument for a state bid if every manufacturer used the same equipment."

Other additional comments relative to specifications on bus body purchasing procedures were included in the following:

"When government agencies are involved, it (purchasing school buses) becomes more bureaucratic."

"I would like a more equalized procedure to allow each of us an opportunity to go in on a competitive basis."

Chapter 9

Conclusions

Chapter 9

Conclusions

Analysis of the data compiled for this study produced a number of conclusions relevant to the four broad objectives discussed in the summary section of this chapter. The conclusions listed are based on the findings of this study and are supported by the literature.

While there have been several studies scrutinizing states' plans for purchasing school buses, there was no method that emerged nationwide as the best method. There were various approaches taken by the fifty states in the plans and procedures for purchasing school bus bodies. Perhaps these varying approaches were due to the many variables that exist within the borders of each state.

During the course of this study, the State of Georgia required that bus bodies be purchased by the local school system through a bid process. The amount of money paid by local systems for bus bodies impacts the amount of money received from the state in the distribution of state aid. Funds allocated for transportation are based on a formula which includes bus replacement. For example, when a local system purchases a conventional gas bus, that system will receive one-eighth of the state average low bid for that year for eight consecutive years. Based on Georgia's distribution formula, the variation in prices paid by counties in Georgia directly affected every school system that purchased a bus. Since the purchase prices directly impact replacement funds, it seems that there is cause for concern in the variations of prices paid in Georgia.

The analysis of data concluded that there is little or no consistency in prices awarded. There is inconsistency after taking into consideration factors such as number of bus bodies purchased, time bus bodies were purchased, and geographic location of purchases. Also inconsistent were prices awarded to different counties for the same bus purchased from the same manufacturer. A puzzling statistic was that the average cost of the 66 passenger bus body was over \$100.00 less than the average cost of the 65 passenger bus. A conclusion accounting for variations in price paid was solicited from the five bus body suppliers in Georgia. According to these responses, contributing factors in the variations

included the following: the simple law of supply and demand, competition in geographic areas, and production capabilities in the factories.

Toward the purpose of exploring possible methods of saving public funds in the purchasing of school bus bodies for the State of Georgia, a comparison of Georgia's prices to those states using a state bid plan was made. Specifically, Georgia's prices were compared with prices paid for 65 and 66 passenger bus bodies with those prices paid by Florida, Kentucky, and West Virginia. Because this study was limited to the 65 and 66 capacity bus bodies, generalizations and implications of these conclusions for possible savings should be viewed with these limitations in mind.

In comparing average prices paid in Georgia for the 65 and 66 passenger bus bodies during the 1984-1985 school year (excluding those purchased by Cooperative Purchasing Agency) with prices paid by Florida, Georgia would have realized a difference in price more than \$40,000.00 if the 254 bus bodies had been purchased at the Florida bid price. However, in comparing the prices of these two states, it must be noted that there were additional costs of the Georgia bus body compared to the Florida bus body. Excluded in the Florida prices was delivery, the crossing gate, and the additional heater that was included in Georgia's prices. Without excluding differences for these additional items, the projected difference in price for Georgia, compared to Florida's bid price, would have been approximately 21%.

The same comparison to Kentucky's bid price would have realized a difference more than \$500,000.00 for Georgia. With the exception of the crossing gate, specifications for bus bodies for these two states were comparable. Compared to Kentucky, Georgia's savings would have been approximately nineteen and one-half percent.

The difference in West Virginia's bid price, compared to the average Georgia cost for the 65 passenger bus, was only \$31.32. However, with West Virginia's requirement of plywood flooring, tow hooks, emergency push-out windows, ax, and a storage compartment, the cost of the body purchased in West Virginia was higher when compared with Georgia's cost, even though Georgia required a crossing gate.

Chapter 10

Recommendations

Chapter 10

Recommendations

Intended for school policy makers in the State of Georgia, the following recommendations are designed to provide direction in purchasing school bus bodies. No attempt has been made to evaluate the public relations aspect of purchasing. These recommendations are based solely on a review of the data presented in this study.

The following recommendations are offered:

1. The State Department of Education should make available to local Boards of Education, at the end of every year, a list of awarded bids for each capacity bus body purchased by the counties of Georgia. With this information, local systems would be able to determine if prices paid were competitive, thus helping in the next year's negotiations.
2. The State Department of Education should assemble and periodically distribute to each local school system all legislation relative to purchasing school buses. Up-to-date legislation should be included in each local system's policy concerning purchasing practices.
3. The State Department of Education should follow up on all bids that are not reported on DE form number 0399 and require that a form be submitted.
4. Based on the data of this study, the State Department of Education should carefully consider a centralized plan for purchasing school bus bodies.

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